

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER OF the Application)	REGULATORY DIVISION
of Montana-Dakota Utilities Co. for)	
Authority to Establish Increased Rates)	DOCKET NO. D2018.9.60
For Electric Service)	

**DATA REQUESTS MCC-158 THROUGH MCC-161
OF THE MONTANA CONSUMER COUNSEL
TO MONTANA-DAKOTA UTILITIES CO.**

MCC-158

Regarding: Pension Amount in Rate Base
Witness: Jacobson

Refer to the response to MCC-141 and Statement E workpaper E-8 from the Company's filing. In the referenced response, MDU cited Commission Order 5856b in Docket No. D95.7.90 as its authorization to include the "Provision for Pension & Benefits" in the pro forma amount of \$4,723,452 in the Company's rate base. Specifically, the Company's response to MCC-141 cites paragraph numbers 53 and 55 of Order 5856b as the basis for the Company's inclusion of the Provision for Pension & Benefits in rate base.

- a. Please identify the specific discussion in Order 5856b (paragraph numbers 53 and 55) upon which the Company is relying for its proposed inclusion of the provision for pension & benefits in rate base.
- b. Please explain fully and in detail how the Company makes its pension related funding decisions and provide documentation showing how the 2016, 2017 and 2018 funding amounts were determined.
- c. Can the \$4,723,452 be reconciled to any actuarial reports? If "yes", please provide the reconciliation and if already provided, cite the specific actuarial report to which the reconciliation applies. If not, explain fully why not.

- d. Referring to part "b", to the extent the Company has not already provided the relevant actuarial report, please provide with this data request.

MCC-159

Regarding: Pension Amount in Rate Base
Witness: Jacobson

Refer to page 29 of the Direct Testimony of Company witness Travis Jacobson.

- a. Provide the last two actuarial reports for the defined benefit pension plan.
- b. Provide the last two actuarial reports for the post-retirement health care plans.

MCC-160

Regarding: Pension Amount in Rate Base
Witness: Jacobson

Refer to Statement E workpaper E-8 from the Company's filing.

- a. Referring to Statement E, workpaper E-8, please explain fully and in detail the line item "Additional Minimum - Centennial Energy" in the amount of \$5,606,198, including why it was included in the calculation from which a portion was allocated to MDU Electric's provision for pension & benefits.
- b. Referring to Statement E, workpaper E-8, please explain fully and in detail the line item "Additional Minimum - MDU Energy Capital" in the amount of \$1,318,702, including why it was included in the calculation from which a portion was allocated to MDU Electric's provision for pension & benefits.
- c. Referring to Statement E, workpaper E-8, when comparing the amounts shown in the 2017 test year column to the amounts shown in the pro forma column, why is the pro forma \$47,294,716 credit amount of Deferred Pension \$10,882,000 less than the 2017 credit amount of \$58,176,716 when the remaining pro forma pension-related amounts are the same as the 2017 test year amounts?

- d. Referring to Statement E, workpaper E-8, under the heading "Total Bargaining and Nonbargaining from Actuary Study", explain fully and in detail the pro forma pension expense credit amount of \$1,222,000, including why it was included in the calculation from which a portion was allocated to MDU Electric's provision for pension & benefits. In addition, reconcile this amount to the referenced actuarial study.
- e. Referring to Statement E, workpaper E-8, under the heading "Total Bargaining and Nonbargaining from Actuary Study" explain fully and in detail the pro forma pension contributions amount of \$12,104,000, including why it was included in the calculation from which a portion was allocated to MDU Electric's provision for pension & benefits. In addition, reconcile this amount to the referenced actuarial study.

MCC-161

Regarding: ADIT Rate Base for Pensions

Witness: Jacobson

Refer to the response to MCC-141, Statement E, workpaper E-8 from the Company's filing and the Excel file titled: "Response No. PSC-001 - Rate Base from the Company's response to PSC-001.

- a. Referring to the electronic version of Workpaper Statement J, page 1, cell B-18 from the referenced Excel file, why did the Company use a combined federal and state income tax rate of 24.40% instead of a combined federal and state income tax rate of 26.3325%?
- b. Pursuant to part "a", the combined federal and state income tax rate of 24.40% is a hardcoded amount on Workpaper Statement J, page 1. Show in detail how the 24.40% combined federal and state income tax rate was derived. Show detailed calculations.
- c. Does the Company's filing reflect any excess ADIT or EADIT amortization related to the provision for pension & benefits? If so, where and in what amounts?